



---

**FOR IMMEDIATE RELEASE**

For more information, contact:  
Mike Gowrylow  
(360) 486-2113

Washington State Attorney General  
Christine Gregoire  
(360) 753-1476

**Washington State To Receive \$6.8 Million from U.S. Department of Energy**

**OLYMPIA, Wash.,** February 9, 2004—The U.S. Department of Energy has agreed to pay the state of Washington a \$6.8 million tax-related debt for site characterization work the federal government did at the Hanford Nuclear Reservation more than 10 years ago.

The federal agency agreed to make the payment in lieu of business and occupation taxes after Attorney General Christine Gregoire sued the federal agency last month at the request of the Washington State Department of Revenue, and U.S. Washington State Senator Maria Cantwell issued a strongly worded letter to the agency.

Department of Revenue Director Will Rice said the pressure paid off as DOE has notified Congress that it is using appropriated funds to pay the taxes.

"Everyone who owes taxes should pay them, and the federal government is no exception," Rice said. "I appreciate the work of the Attorney General's Office and Senator Cantwell in resolving this long running issue."

The state had been seeking the payment since 1993, after Hanford was considered as a potential site for a nuclear waste repository, but was ruled out for the repository in favor of Yucca Mountain in Nevada. Under the Nuclear Waste Policy Act of 1982, Energy is required to pay the equivalent of state business and occupation taxes for activities such as surveying, sampling and testing that took place after Hanford was identified as a potential site in 1986.

DOE's own appeals board finally ruled in July 2003 that it had to pay the debt, but Energy still didn't paid, triggering the January lawsuit.

###